GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:92
ANSWERED ON:23.11.2001
TRADE DEFICIT
NARESH KUMAR PUGLIA;SHYAMA SINGH

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

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(a) whether India`s exports witnessed a negative growth during the first five months of current financial year; (

(b) if so, the facts in this regard; (

(c) whether as a result of negative export growth India`s trade deficit rose by a huge 25 percent during the above period; (

(d) if so, the facts thereof; (

(e) whether the Government have chalked out any new strategy to minimise its trade deficit in the next few months of the current financial year; and (

(f) if so, the details in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) to (f) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a), (b), (c), (d), (e) & (f) OF LOK SABHA STARRED QUESTION NO. 9 BE ANSWERED ON 23.11.2001 REGARADING TRADE DEFICIT BY SHRI NARESH PUGLIA AND SHRIMATI SHYAMA SINGH

(a) to (b): As per the provisional data furnished by Directorate General of Commercial Intelligence & Statistics, Calcutta, the value of merchandise goods exports have registered a growth rate of -2.30% during April-August, 2001-02 as compared to the corresponding period of previous year, mainly due to the global economic slow down.

(c) to (f): India`s trade deficit during April-August 2001-02 which is placed at US $ 4.60 billion is higher by 25.1%as compared to US $ 3.68 billion during the corresponding period of the previous year. Several measures have been taken to boost exports and to minimize trade deficit. Some of the recent measures taken to promote exports include reduction in the export credit rate for both pre-shipment and post-shipment, special financial package to manufacturer exporters with a export contract of Rs. 100 crores or above for a period of one year from October 2001, extension of normal repatriation period from 180 days to 360 days for exports made to Latin American countries for a period of one year and upward revision of duty drawback rates on a number of product groups. Export performance is constantly being monitored and measures are being taken to reduce the trade deficit.